



SAMCHEM HOLDINGS BERHAD (797567-U)

(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office: No. 6, Jalan Bangsar Utama 9, Bangsar Utama, 59000 Kuala Lumpur

6 May 2010

To : The Shareholders of Samchem Holdings Berhad

Dear Sir/Madam,

**ADDENDUM TO THE NOTICE OF THIRD ANNUAL GENERAL MEETING
RESOLUTION 8 - AUTHORITY FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES
PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965**

We refer to the Notice of the Third Annual General Meeting ("AGM") dated 3 May 2010, wherein the following Ordinary Resolution 8 is proposed as a Special Business to be considered and, if thought fit, to pass with or without modifications at the forthcoming AGM:

**AUTHORITY FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION
132D OF THE COMPANIES ACT, 1965**

"THAT subject to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the Securities Commission, Bursa Malaysia Securities Berhad and other relevant governmental and/or regulatory authorities, if applicable, the Directors of the Company be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965 to issue shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total issued share capital of the Company for the time being; AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

EXPLANATORY NOTES ON SPECIAL BUSINESS

The Proposed Resolution 8, if passed, will give the Directors of the Company, from the date of the above Annual General Meeting, authority to issue and allot shares from the unissued capital of the Company for such purposes as the Directors may deem fit and in the interest of the Company. The authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the authority granted to the Directors at the Second Annual General Meeting held on 22 May 2009 and which will lapse at the conclusion of the Third Annual General Meeting.

ADDENDUM TO EXPLANATORY NOTES ON SPECIAL BUSINESS

The general mandate for issue of shares will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares for the purpose of funding future investment, working capital and/or acquisition.

The purpose of this Addendum is to provide you with the above additional statement accompanying the proposed Ordinary Resolution 8 to be tabled at the forthcoming AGM.

Yours faithfully
For and on behalf of
SAMCHEM HOLDINGS BERHAD

CHUA HOOI SIAN (F)(MAICSA 7014565)
SUJATA MENON A/P K.R.D.S.CHANDRAN (F)(LS 0002004)
Company Secretaries